

## MOORE DYE CHARGE FALSE, SAYS CHOATE

Attack on Chemical Foundation Based on Ignorance of Its Work.

TRUSTEES GET NO PROFIT

Organization Must License Others to Use Its Manufacturing Patents.

Joseph H. Choate, Jr., general counsel for the Chemical Foundation, Inc., which was bitterly attacked on the floor of the House by Representative J. Hampton Moore of Philadelphia, yesterday wrote to Mr. Moore a letter declaring that his attack was based on inaccuracies and "in ignorance of the formation and work of the Foundation." He warmly denies the charge that the trustees or others connected with the corporation stand to make money out of taking over and licensing for American manufacturers the German dye secrets gathered during the war by a British firm when he was Allen Property Custodian.

He says that the selection of Francis P. Garvan of New York as president of the Foundation was urged by two ardent Republicans, Ramsey Hogue, who was patent counsel for the custodian, and Mr. Choate himself, and that his selection was enthusiastically endorsed by the dyemakers, who are chiefly concerned in the Foundation's success. Mr. Choate says in his letter: "In general, your criticisms fail to take into account the situation which called the Chemical Foundation into being. The custodian found himself in possession of a mass of chemical patents which stood as an impassable obstacle in the path of American industry. That obstacle had to be removed. Unless Congress (if it had the power) followed the English precedent and annulled the patents, which would have left the Germans with the dye monopoly, the patented dyes here, the obstruction could be done away with only by a sale to good Americans.

**Only Method Available Used.**

"The patents could not be sold piecemeal, for they would not be worth selling. They had to be sold to strong companies, because the weak firm would stand the expense of defending. Yet if sold to any existing concern, the inventions would be lost to all others and a monopoly would be created.

"The only way in which the patents could be made available to all, and at the same time used to fight the German trust, was the creation of a trusteeship organization.

"You state that the Chemical Foundation is 'capitalized at \$500,000 for the purpose of engaging in the manufacture of dyestuffs in the United States.' This is the precise opposite of the truth. The foundation has no power under its charter to do anything of the kind. It can only license others to manufacture under its patents. It must license by a non-exclusive license any competent and truly American manufacturer who may apply, up to the capacity of the market.

"The foundation was carefully organized in such a way that nobody can possibly make money out of it. No one of the trustees owns, or ever will own, a share of stock. The trustees, whom you present to the public view as dangerous financial bugaboos, serve permanently without compensation of any kind. So does the president in so far as this time do even the minor executives, who doubtless will have to be paid salaries when the foundation develops so as to take their entire time. No officer or director owns stock except the necessary qualifying shares.

"You criticize the selection of the trustees of the foundation on the ground that they are not dyemakers. In this, I think, you forget their function. They are not directors of the corporation, but primarily voting trustees of the stock. If the foundation was to be kept out of all danger of falling into the control of any group which might use it for selfish interests the voting stock obviously had to be trusted to those who, in the time of peace, would be most likely to be men wholly dissociated from either the dyestuffing or dye using industries. It was evidently desirable that they be men famous in the time of peace for editorial writers throughout the country on the situation. This article should be of practical value to every DIGEST reader.

Other striking features in this week's DIGEST are:

**What the American Soldier Thinks of the French People**

This Article Reflects With Illuminating Detail the Opinion of the American Doughboy As Expressed in Talks With Returning Soldiers, in Soldiers' Letters, etc.

**Union Labor Lets Down the Bars to the Negro**

**Britain's Clean-cut Across-the-Atlantic Victory**

**Neutral Friends of Germany**

**War-Ravished Poland Reviving**

**Is France Ruined in Victory?**

**New Standards for Our Children**

**New Instruments for Ocean Flight**

**"Lincoln" Holding the London Theatre World**

**Protestant Efforts at Reconstructing Europe**

**Personal Glimpses of Men and Events**

Many Interesting Illustrations, Including Humorous Cartoons

PERSHING AWARDS D. S. C.'S.

Honor Emblems Go to Officers and Enlisted Men.

WASHINGTON, June 27.—The War Department today announced award of the Distinguished Service Cross by Gen. Pershing to the following officers and enlisted men of the American Expeditionary Forces:

Capt. Albert F. Baxter, Fairmont, N.H.; Lieut. Royal H. G. Smith, South Norham, Me.; Sergeants Claude H. Carver, Ross May, Tex.; Thomas W. Murphy, New Haven, Conn.; John Hussey, Holyoke, Mass.; and Frederick J. Hawke, East Greenwich, R. I.

Private Joseph C. Hays, St. Louis, and Thomas Stirling, Denver, Col.

Privates Clifford C. Kidd and Fred S. Smith, Denver, Col.; Leo L. Sandman, Harrington, Ill.; Dwight F. Lammie, Little River, Kan.; Quincy R. Seymour, Bartonsville, Kan.; Fred Forbis, Holt's Summit, Mo.; August Hogeman, Glen Ullin, N. D.; Orlaf Brekke, South Fernus, Minn.; and William J. Hughes, Goodhope, Ill.

**Take Post Ban on Militia Bands.**

WASHINGTON, June 27.—Formation of volunteer militia bands or guerrilla bands has been forbidden by the Turkish Minister of Interior on the ground that such organizations would prejudice the government's peace plans. According to advices received to-day by the State Department.

## ALASKA DRENCHED BY SULPHUR LADEN RAIN

Believed to Have Been Caused by Volcano.

Dawson, June 27.—A sulphur laden shower of rain, which began at midnight over Dawson and its vicinity last night, a thirty minute downpour left pools and sidewalks streaked with a yellow substance which chemists declared was sulphur and which they believed was carried in the upper atmospheric currents from some distant volcano eruption.

A similar precipitation has been reported at Eagle, a hundred miles north of Dawson, and also in northern British Columbia.

**PATROLMAN ON DEFENCE.**

Sands Says Bellevue Staff of Warden Was Inadequate.

Patrolman Charles D. Sands, who was on duty at the prison ward of Bellevue Hospital May 27, when Capt. Fritz Duquesne escaped, took the stand in his own defence yesterday before Deputy Commissioner Leach on charges of neglect of duty. The patrolman said there were eighteen prisoners in the ward at the time, and it was practically impossible for one man to watch them all. A prisoner suffering from alcoholism had given considerable trouble that morning and was occupying most of the nurses and guards, he said.

Charles J. Murray, an attendant, who was on duty between 1 and 4 o'clock that morning, testified that Duquesne's cot was situated in one of the darkest corners of the ward, and before the prisoner was found to be missing the bedclothes had been rolled up to resemble the form of a sleeping man. Duquesne, usually pulled the clothes over his head, he said. Estimates of the time that he would be required to saw through the window bars varied. Frank Matlen and Nicholas Dietz, iron workers, said with a good saw the bars could be cut through in three minutes. Albert Richter estimated five minutes with a hacksaw and about twelve hours with an ordinary small saw. Capt. William H. Warden testified that he had found two of the bars, each three-quarters of an inch thick, had been sawed through near Duquesne's bed, at the close of the hearing Commissioner Leach reserved decision.

**BROKE NECK IN 1916; IS ALIVE.**

Jersey City Man Fractured Spine Also Wins Award.

Charles Mercer of 79 Court House place, Jersey City, fell from a ladder July 31, 1916, breaking his neck and fracturing his spine. In spite of this, Mercer is still alive, although he is permanently disabled.

Yesterday before Deputy Commissioner George J. Jagger the Jersey Department of Labor Mercer was awarded \$10 a week, to be paid from the time of the accident and to continue 260 weeks after the award. Mercer was employed by Thomas Brown & Bro. of Jersey City.

## HENRY WRATHY AT DETECTIVE'S TRIAL

Inspector Tries to Defend Sleuth Who Accused Girls of Flirting.

BLAMES PEACOCK ALLEYS

Woman Employee of Hotel Tells of False Arrest by Gunson.

It seemed during the police trial yesterday of John J. Gunson, a detective attached to the staff of Inspector Domick Henry of the Tenderloin district on a charge of conduct unbecoming an officer, that it was really Henry who was on trial and not the young policeman.

The hearing of the charges arising out of Gunson's arrest March 4 of two stenographers on Broadway on a charge of flirting was held by First Deputy Commissioner John A. Leach, Third Deputy Commissioner Augustus Drum Porter and Fifth Deputy Commissioner Mrs. Ellen A. O'Grady.

The police officials heard the stories of Sally Cobin, 314 Henry street, and Lillian Cohen, 153 South Second street, Brooklyn, and then Henry took the stand. All during the trial he was unable to keep his seat and constantly asked William E. Mayor, Assistant Corporation Counsel, who was defending the detective, to put questions that occurred to him to the girls.

The girls' story was the same as that upon which Judge Otto Rosalesky of the Court of General Sessions reversed the conviction entered in the case by Magistrate Mancuso. They were on Broadway intending to go to the movies and went into the Hotel Astor. Two army officers, one of whom the Cobin girl knew to be working in her office in the Quartermaster Department, spoke to them, Gunson and his partner, Detective Maloney, at that point walked up and accused them of flirting.

What attracted Gunson's attention to the girls, so the evidence brought out yesterday, was the fact that they went through a hotel corridor.

**Says Hotels Complained.**

"We have had complaints from the Federal Government that the 'peacock alleys' in some of the New York hotels are camping grounds for women of ill repute," Inspector Henry testified for Gunson yesterday. "The management of some of these hotels asked us to do something to stop the practice. We convicted ten women."

Henry believes the women are to blame for flirting and not the men. That is how it happened that Gunson instead of arresting the two officers who spoke to Miss Cobin told them to "beat it" and arrested the girls. Assistant District Attorney Samuel Markewich, who is a personal friend of the Cobin family, emphatically said that in his opinion the men were to blame. He knew the Cobin girls to be eminently respectable.

## 200 CITIES ACTIVE IN HOME OWNING DRIVE

Paul Murphy Warns Real Estate Men Landlord Class Is Increasing.

Special Despatch to The Sun.

ATLANTIC CITY, June 27.—Paul C. Murphy of the Department of Labor told the members of the National Association of Real Estate Boards at their convention here to-day that the "own your own home" campaign recently started by the Department has been so successful that in 200 cities in thirty-eight States the building permits for April and May showed an enormous increase over the same months of last year. The cities, he declared, represent a large proportion of the total population of the United States.

A common interest in the nation's wealth and the widest possible distribution of real property is essential to our national well-being," he said. "Statistics show that tenantry has been increasing in this country in the last twenty years at the rate of 3 per cent. for each ten year period. In France, it is said, but 20 per cent. of the people live under the rental system, while in this country in 1890 52 per cent. lived under that system, 3 per cent. more in 1910 and probably 55 per cent. now.

"Slight as the percentage changes are, the tendency toward tenantry in this country has extended over many years and is a most ominous sign for a country of majority rule. If to-day but 45 per cent. of the people live in their own homes, twenty years hence but 35 per cent. may do so. The landlord class is increasing and the property owning class is decreasing."

William E. Shannon of Washington, who was associated with the United States Housing Corporation during the war period, declared that Americans need no lessons from abroad as to home planning, and urged the real estate men to work against the proposed visit of a Congressional commission to Europe to study the housing systems there with a view to their adoption in this country. "This idea," he declared, "is not for the welfare of our republic."

**FRENCH REFORM ELECTIONS.**

Bill Adopted Provides Department Name Deputies.

PARIS, June 27.—The Senate yesterday passed the electoral reform bill by a vote of 129 to 4.

The bill, providing for the election of members of the House of Deputies by departments instead of by arrondissements, passed the Chamber of Deputies April 18. Besides the provision for the election of members of the Chamber of Deputies, the bill carries other reform measures applicable to elections.

## THREE B. R. T. SURFACE LINES IN DEFAULT

May Make Good Later and Avoid Receivership.

Three surface line subsidiaries of the Brooklyn Rapid Transit Company will not pay interest due July 1 on their bonds, it was announced yesterday by their board of directors. The default will be made good, it is hoped, and an extension of the Brooklyn traction receivership avoided.

The announcement was made coincident with the making of an order by Federal Judge Mayer directing Lindley M. Garrison, as receiver of the Brooklyn Rapid Transit Company, the holding company, not to pay interest due on its bonds on July 1.

The surface lines which will make a temporary default are the Brooklyn, Queens County and Suburban Railroad Company; the Coney Island and Brooklyn Railroad Company, and the Nassau Electric Railroad Company.

Both Col. Timothy S. Williams, president of the surface line companies, and Carl M. Owen, counsel for Receiver Garrison, said yesterday that there would be no extension of the receivership until the autumn at least.

The interest on surface line bonds, which will not be paid, is the semi-annual installment due under the following mortgages: Nassau Electric Railroad Company, first consolidated mortgage, 4 per cent., under which bonds of a face value of \$10,347,000 are in the hands of the public; Coney Island and Brooklyn Railroad Company, three consolidated mortgages, which comprise the funded debt, and aggregate \$6,480,000; Brooklyn and Queens County, first mortgage, 5 per cent., \$1,500,000.

It has been decided to pay the quarterly rental installment due July 1 from the Brooklyn Heights Railroad Company to the Brooklyn City Railroad Company. This forestalls any effort to sever the leased line from the system.

On a motion of Carl M. Owen as solicitor for Receiver Garrison, Judge Mayer yesterday ordered that the interest due on B. R. T. bonds on July 1 and past due be defaulted. The decision follows recommendations of E. Henry Lacombe, special master.

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## THE INTEREST DUE JULY 1 IS ON THE FIRST REFUNDING 4 PER CENT. BONDS ISSUED UNDER A MORTGAGE OF 1902. OF THESE THERE ARE \$27,821,000 OUTSTANDING, OF WHICH ONLY \$2,439,900 ARE HELD BY THE PUBLIC. THE CENTRAL UNION TRUST COMPANY IS THE TRUSTEE.

The interest past due is on the first mortgage 5 per cent. bonds issued under a mortgage of 1895. The Equitable Trust Company is the trustee. There are \$7,000,000 in these bonds outstanding. Interest was due April 1. It was past on a tentative recommendation of the special master, which he has since confirmed.

**ASKS REPEAL OF ZONE LAW.**

Mendell Would Restore Pre-War Mail Rates.

WASHINGTON, June 27.—Repeal of the postal zone system for newspapers and periodicals is proposed in a bill by Representative Mendell (Wyo.), the Republican leader. Under the measure second class mail would be at the rate in force before the war revenue bill of 1917 was passed.

# Turkish Cigarettes At Their Best



Melachrino No. 9 The largest selling 20c Turkish Cigarette throughout the world. Sized for extreme mildness.



Philip Morris Bond Street Cigarettes. The English idea of the finest Turkish tobacco. Among men who demand the best, there is a great "Call for Philip Morris" 25c



Naturals Schinasi Brothers famous brand. A full-bodied cigarette of distinctive character. The original 20c Turkish brand.



Pall Mall—You will always find Pall Mall "where particular people congregate." They possess an originality that is brought about by skillfully combining choice Turkish tobaccos. . . . 25c



Egyptian Prettiest Price need not be your excuse for smoking domestic brands, when you can buy this real Turkish cigarette for the same or even less money. Package of 10 . . . 12c 20 . . . 25c



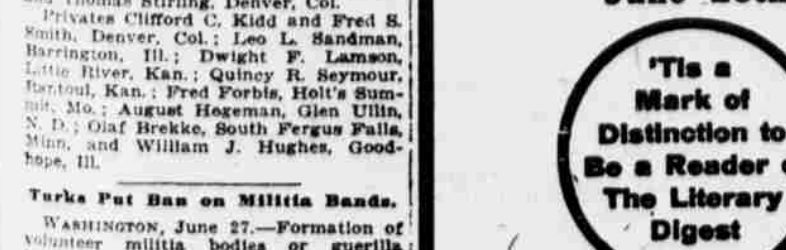
Egyptienne Straights—Really excellent Turkish cigarettes of a quality unequalled at the price. "Absolutely pure." . . . 15c

UNLESS you've smoked a fresh Turkish cigarette—you don't know how really delightful a cigarette can be!

The United Cigar Stores offer as a feature of their service to smokers, Turkish Cigarettes fresh and at their best. This is accomplished by limited shipments direct from the makers—shipments just large enough to supply that day's demand. In this way our customers are assured of the moist and mellow freshness of all Turkish cigarettes obtained from us.

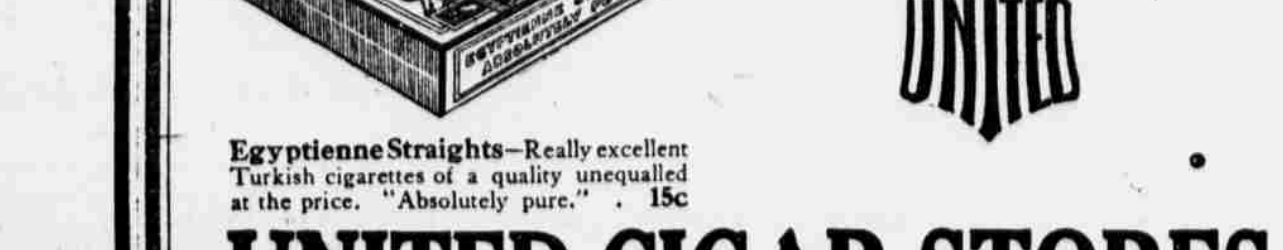
Now that the makers are again receiving the famous "old crop" tobacco which War restrictions held in the Orient, we are happy thus to offer our customer's the world's finest cigarettes in the absolute prime of condition—Turkish Cigarettes at their best!

"Thank you!"



# The Literary Digest

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